REMARKS

The applicants have carefully considered the Office action dated September 28, 2010. By way of the forgoing amendments, claim 1 has been amended. No new subject matter has been added as support for the present amendments may be found throughout the specification as originally filed, including, for example, paragraph 0024 et. seq. and FIG. 4. Claim 1 is an independent claim.

In view of the foregoing amendments and the following remarks, reconsideration of the application is respectfully requested.

Drawings

The drawings are objected to for allegedly failing to show every feature of the claims. In particular, the examiner objects to the claims as failing to show the step of contacting a heat source with a base material. The applicants respectfully traverse the objections.

The specification and the drawings clearly provide sufficient support for the claims, and the applicants respectfully note that a drawing showing a heat source in contact with a base material is cumulative and superfluous. Specifically, at least FIG. 4 illustrates a "state of heating the thermal transfer sheet [] by a laser," and one of ordinary skill in the art would clearly understand and recognize that the laser "contacts" the side of the base material as illustrated. The contact between the heat source and the base material is inherently illustrated in the present application. Thus, the applicants request withdrawal of the objection to the claims.

The Rejections under 35 U.S.C. § 102

Claims 1-2 stand rejected as being anticipated by Tahara (US 5,744,219). Claims 1-2 and 4-5 stand rejected as being anticipated by Tawara (JP 08-258437). It is respectfully submitted that amended claims 1-5 are allowable over this patent for at least the reasons set forth below.

As amended, independent claim 1 is directed to a method of transferring a thermal transfer sheet in which a hologram or a diffraction grating is formed, laminated on a base material in a thermal transfer sheet by heating the thermal transfer sheet at a moment of transfer. By setting the direction of the heat source to the direction in which the visual effect of the hologram to be transferred or the diffraction grating to be transferred is obtained, it is possible to prevent damage that a concave-convex surface is generated in the transferred hologram or diffraction grating (hereinafter the "hologram"), and it is therefore possible to obtain a desired visual effect from the hologram transferred. Accordingly, the hologram can be transferred with a visual effect having substantially no damage.

Both Tahara and Tawara describe that relief patterns may be a parallel-line pattern, either parallel or vertical to the moving direction of the thermal head (*Tahara*, col. 14, ll. 61-64; *Tawara*, para. [0015]). However, the relief patterns mentioned with the direction of moving the thermal head, are provided in the slipping layer (36) and back-surface relief pattern (9), respectively. These layers (26, 9) are provided on the side closer to the thermal head than the release layers (32, 5), respectively. Accordingly, it is apparent that the relief patterns mentioned in Tahara and Tawara are not transferred by the thermal head.

In sharp contrast, the relief patterns formed in the slipping layer (36) and the back-surface relief pattern (9) are provided in order to reduce the area of contact of the substrate layer with the thermal head (*Tahara*, col. 14, ll. 53-56; *Tawara*, para. [0009]), and only the pitch of the pattern is taken into account (*Tahara*, col. 14, ll. 59-61; *Tawara*, para. [0014]). Both Tahara and Tawara are silent as to a visual optical effect which is obtained from these relief patterns.

On the other hand, as evidenced by the descriptions of both Tahara and Tawara, the reflecting layer (34) and the resin layer (6) are transferred to the target substrate, respectively.

(*Tahara*, col. 5, ll. 47-50; *Tawara*, para. [0008]). Accordingly, it is apparent that the relief patterns to be transferred are the relief patterns formed in these layers (34, 6) and not in the layers (36, 9). Both Tahara and Tawara are silent as to the relation between these relief patterns to be transferred and the direction of moving of the thermal head.

Still further, Hattori (US 2002/0168513) is similarly silent as to any relationship between the direction in which the optical effect can be obtained from a relief pattern and the direction of applying heat.

Accordingly, because a "claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987), it follows that none of Tahara, Tawara, or Hattori can anticipate claim 1 or any claims dependent thereon. Specifically, because each of the cited references fails to describe the relation between the direction in which the optical effect is obtained from a relief pattern to be transferred and the direction of applying heat, none of the cited references, either alone or in combination, can anticipate the present claims. Thus, for at least the foregoing reasons, it is respectfully submitted that claim 1 and all claims dependent thereon are in condition for allowance.

Conclusion

Reconsideration of the application and allowance thereof are respectfully requested. If there is any matter that the examiner would like to discuss, the examiner is invited to contact the undersigned representative at the telephone number set forth below.

The Commissioner is hereby authorized to charge any deficiency in the amount enclosed or any additional fees that may be required during the pendency of this application to Deposit Account No. 12-0400.

Respectfully submitted,

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Dated: December 21, 2010

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